

**1AMENDED AND RESTATED BYLAWS OF
RIVERSIDE - NORTH GARLAND WATER COMPANY
A NONPROFIT CORPORATION**

**ARTICLE I
General Purposes**

The purposes for which this corporation is formed, and the powers which it may exercise are set forth in the articles of incorporation of the corporation.

**ARTICLE II
Name and Location**

Section 1. The name of this corporation is the RIVERSIDE - NORTH GARLAND WATER COMPANY, a nonprofit corporation.

Section 2. The principal office of this corporation shall be located in the Town of Riverside, County of Box Elder, State of Utah.

**ARTICLE III
Seal**

Section 1. The seal of the corporation shall have inscribed thereon the name of the corporation, the year of its organization and the words, "Corporation Not For Profit."

Section 2. The secretary of the corporation shall have custody of the seal.

Section 3. The seal may be used for causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

**ARTICLE IV
Fiscal Year**

The fiscal year of the corporation shall begin the 1st day of January in each year.

**ARTICLE V
Membership**

Section 1. Every person (which word as used herein includes any legal entity) who is a record owner of a fee or undivided fee interest, or having a substantial possessory interest, in a property served by the water system may become a member of the corporation upon signing such applications and agreements for the purchase of water as may be provided and required by the

corporation and upon the payment of such connection fee as may be imposed by the board of trustees provided that only one membership at a time may be held for each property served. A single membership may be issued to all persons owning or having a substantial possessory interest in the property. Only one membership may be held with respect to property at one time. The board of trustees shall cause to be issued appropriate certificates of membership, provided that membership shall not be denied because of the applicant's sex, disability, race, color, creed, or national origin. Membership may be denied if capacity of the corporation's water system is exhausted by the need of its existing members, or, if the proposed use of the applicant is such that it would interfere with existing uses previously authorized by the board of trustees.

A. Classes of Membership: There shall be three Classes of Membership as specified and defined below.

- (1) **Class A Members:** (Existing Residential and Commercial) shall be all Members, whether Residential or Commercial Members, existing on the records of the Company as of February 12, 2008 with rights of use to water according to existing conditions. If Class A Members' use or ownership changes, the Class A Membership Class will be updated to the use of the water existing or intending to be used, on the date of such change without effect to its Class A status. Class A Memberships shall not increase from Membership Number A396 and water rights for these members shall be strictly limited to the first 396 acre feet of water rights in the existing two (2) wells of the Company on this date.
- (2) **Class B Members:** (Residential) shall be new Members who intend to use the water for one residential household and for irrigation water on an area not to exceed .25 acres other than the area occupied by the house and paved driveway. Each application accepted for a Class B Membership shall be accompanied by water rights for one (1) acre foot of water to be diverted from the existing two (2) wells of Company, or other points of diversion that may be brought into the Company at a later date and approved by the Board of Directors, with the exact point of diversion to be directed by the Board of Directors on the date the application is accepted. Water rights transferred into the Company's water sources will be evidenced by changing title to the name of the Company with all future rights belonging to the Company. If the Class B Member uses more than one acre foot of water in any one year, the Member shall acquire and transfer sufficient water rights to cover the overage use on a perpetual basis into the name of the Company at the point of diversion indicated by the Company. All costs related to the transferring of the water rights into the name of the Company shall be the sole responsibility of the applicant. Any assessments made on the water rights transferred to the Company by the applicant in the beginning or at any future date shall be bore exclusively by the Member that transferred the water right to the

Company. All voting rights for Class B Members shall be the same as those for Class A Members.

- (3) **Class C Members:** (Commercial) shall be new Members that intend to use the water for one Commercial Business. Each application for Membership approved for a Class C Membership shall be accompanied by water rights for sufficient water required by the Commercial applicant, but not less than one (1) acre foot of water, to be diverted from the existing two (2) wells of Company, or other points of diversion that may be brought into the Company at a later date and approved by the Board of Directors, with the exact point of diversion to be directed by the Board of Directors. Water rights transferred into the Company's water sources will be evidenced by changing title to the name of the Company with all future rights belonging to the Company. If the Class C Member uses more water in any one year than what was initially brought into the Company, the Class C Member shall transfer sufficient additional water rights to cover the shortage into the name of the Company at the point of diversion indicated by the Company. All costs related to the transferring of the water rights into the name of the Company shall be the sole responsibility of the applicant. Any assessments made on the water rights transferred to the Company by the applicant in the beginning or at any future date shall be bore exclusively by the Member that transferred the water right to the Company. All voting rights for Class C Members shall be the same as those for Class A Members.

B. Substantial Possessory Interest: one where the person or persons have a legal right to control and occupy a property but do not have the legal or the equitable ownership of the property. It may be under a lease or similar right to possession.

- (1) Before membership is allowed to one or more persons claiming such an interest, the corporation will endeavor to obtain the application for membership from the owner of such property.
- (2) Where membership is granted to one or more persons having a substantial possessory interest, the corporation as a condition to the membership may require such applicant to post such collateral or bond as the directors determine necessary to fully protect the corporation from any additional risk that may be involved to the corporation by reason of the lack of legal ownership in the applicant.

Section 2. Each member shall have only one membership for each property served, regardless of the number of service connections he may obtain to serve his/her property. Each membership certificate shall represent one vote. When more than one person holds the interest in a property served, the vote shall be exercised by the person in whose name the certificate is

registered or by such person as the several persons may designate, but in no event shall more than one vote be cast with respect to any property.

Section 3. Membership shall be transferable, but the transfer will only be effective when all owed assessments, fees, charges, interest, attorney's fees, and costs are fully paid to the corporation, and when noted on the books of the corporation. Such transfer will be made only to a person who obtains a qualifying interest in the property. A member will transfer his/her membership in the corporation to his/her successor in interest as part of the transaction whereby he disposes of his/her interest to said property. The secretary, upon request, will make note of such transfer upon the records of the corporation and shall issue a new certificate to the successor in interest of the previous existing member.

Section 4. When membership in the corporation is not transferred, it shall terminate upon the disposition or other termination of the member's interest in the property, regardless of whether or not the certificate is surrendered to the corporation. Membership also may be terminated by action of the board of trustees where the use of the property is changed so as to materially increase the amount of water consumed to the prejudice of other existing members or to the prejudice of the orderly operation of the system.

Section 5. The termination of the membership of any member shall not disqualify for membership any other person who has or obtains an interest in the property of the terminated member and who otherwise meets the requirements of these bylaws.

Section 6. In the event a member's property interest is divested, other than by voluntary means or termination pursuant to these Bylaws, such member's membership will pass to the trustee, receiver, executor, or the like who will be entitled either in person or through a designated representative to exercise all of the rights incident to such membership. The trustee, receiver, executor, or the like, may terminate such membership by written notice to such effect delivered or mailed to the secretary of the corporation. Upon the final disposition of such property rights, the owner thereof shall be entitled to membership in like manner as if the membership had been transferred to him by the original member as set forth in section 4 c, above.

Section 7. Upon the transfer of a membership as indicated hereunder, the corporation, in its discretion, may look to the successor in interest for the payment of any past due amounts, if any. The corporation may seek collection from the individual who incurred such changes or assessments or from the property itself if a judgement lien had been duly perfected against such property.

Section 8. The corporation shall have a lien upon all membership interests for any unpaid assessments, fees, charges, interest, attorney's fees, costs, or the like, due and owing from any member. Said lien shall attach to the real property serviced by the corporation's water system and be a burden upon the real property and run with the real property title. The corporation is authorized, empowered, and invoked with the right, authority and power to record a lien upon said property with the Box Elder County Recorder's Office, where said lien will remain in effect until all sums plus interest and costs are paid in full. After said sums have been fully paid, the

Corporation shall cause a notice of release of lien or similar document to be filed upon said real property.

ARTICLE VI
Membership Certificates

Section 1. This corporation shall not have capital stock. Membership in the corporation shall be represented by membership certificates. Such certificates shall represent the right to use and enjoy the benefits of the corporation's water supply system upon the payment of necessary assessments, if any, and of reasonable charges based upon such use, provided such use and enjoyment are consistent with the rules, regulation, and contracts affecting the same as may from time to time be prescribed by the board of trustees.

Section 2. A membership certificate shall be issued to each holder of fully paid membership, numbered consecutively in accordance with the order of issue, and bear on its face the following statements:

This membership certificate, No. _____, is issued and accepted in accordance with and subject to the conditions and restrictions stipulated in the articles of incorporation and bylaws and amendments to the same of the Riverside - North Garland Water Company.

ARTICLE VII
Meeting of Members

Section 1. The annual meeting of the members of this corporation shall be held in the Town of Riverside or City of Garland, or in the County of Box Elder, State of Utah, at a time, day and place set by the board of trustees each year. The place, day, and time of the annual meeting may be changed to any other convenient place, day and time within the county by the board of trustees giving notice thereof to each member not less than ten (10) days in advance thereof.

Section 2. Special meetings of the members may be called at any time by the action of the board of trustees and such meeting must be called whenever a petition requesting such meeting is signed by at least ten per cent of the members and presented to the secretary or to the board of trustees. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted thereat except such as is specified in the notice.

Section 3. Notice of meetings of members of the corporation, both regular and special, shall be given by notice mailed by first-class mail to each member of record, directed to the address shown upon the books of the corporation, not less than ten (10) nor more than forty (40) days prior to such meeting. Such a notice shall state the nature, time, place and purpose of the meeting, but no failure or irregularity of notice of any annual meeting, regularly held, shall affect any proceedings taken thereat.

Section 4. The presence at a meeting of members entitled to cast in their own right or by proxy ten percent (10%) of the total number of votes shall constitute a quorum. All proxies shall be in writing and filed with the secretary at least one (1) week prior to the meeting. Such proxies may be general or restrictive. Proxies shall be revocable and shall not be valid beyond 6 months, nor after termination of the membership by cessation of the member's interest in the property.

Section 5. Trustees of this corporation shall be elected at the annual meeting of the members as provided in Article VIII. 1. No cumulative voting shall be allowed.

Section 6. The order of business at the regular meetings and so far, as possible at all other meetings shall be:

1. Calling to order and proof of quorum.
2. Proof of notice of meeting
3. Reading and action on any unapproved minutes
4. Reports of officers and committees
5. Elections of trustees
6. Unfinished business
7. New business
8. Adjournment

ARTICLE VIII Directors and Officers

Section 1. The board of trustees of this corporation shall consist of five members, all of whom shall be members of the corporation. The trustees named in the articles of incorporation shall serve until the first annual meeting of the members and until their successors are elected and have qualified. At the first annual meeting of the members, one trustee shall be elected for a term of one year; two trustees for a term of two years; and two trustees for a term of three years. At each annual meeting thereafter, the members shall elect for a term of three years the number of trustees whose terms of office have expired. Each trustee shall hold office for the term for which he/she is elected and until his/her successor shall have been elected and qualified.

Section 2. The board of trustees shall meet within ten (10) days after the annual election of trustees and shall elect a president and vice-president from among themselves and a secretary-treasurer who need not be a member of the board of trustees, each of whom shall hold office until the next annual meeting and until the election and qualification of his/her successor unless sooner removed by death, resignation or for cause.

Section 3. If the office of any trustee becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, except by removal from office, a majority of the remaining trustees, though less than a quorum shall, by a majority vote, choose a successor who shall hold office until the next regular meeting of the members of the corporation, at which time the members shall elect a trustee for the unexpired term or terms, provided that in the call of such regular meeting a notice of such election shall be given.

Section 4. A majority of the board of trustees shall constitute a quorum at any meeting of the board. The affirmative vote of the majority of the trustees at a meeting at which a quorum is present shall be the act of the board.

Section 5. Compensation of officers may be fixed at any regular or special meeting of the member of the corporation. Trustees shall receive no compensation for their services as such.

Section 6. Officers and trustees may be removed from office in the following manner: Any member, officer or trustee may present charges against a trustee or officer by filing them in writing with the secretary of the corporation. If presented by a member, the charges must be accompanied by a petition signed by ten percent of the members of the corporation. Such removal shall be voted on at the next regular or special meeting of the members and shall be effective if approved by a vote of a majority of those voting if a quorum is present. The trustee or officer against whom such charges have been presented shall be informed, in writing, of such charges at least twenty days prior to the meeting, and shall have the opportunity at such meeting to be heard in person or by counsel and to present witnesses; and the person or persons presenting such charges against him shall have the same opportunity. If the removal of a trustee is approved, such action shall also vacate any other office held by the removed trustee in the corporation. A vacancy in the board thus created shall immediately be filled by a vote of a majority of the members present and voting at such meeting. A vacancy in any office thus created shall be filled by the board of trustees from among their number so constituted after the vacancy in the board has been filled.

ARTICLE IX Duties of Directors

Section 1. The board of trustees, subject to restrictions of law, the articles of incorporation, and these bylaws, shall exercise all of the powers of the corporation, and, without prejudice to or limitation upon their general powers, it is hereby expressly provided that the board of trustees shall have, and are hereby given, full power and authority in respect to the matters as hereinafter set forth to be exercised by resolution duly adopted by the board:

- a. To approve membership applications and to cause to be issued appropriate certificates of membership. The board may make binding commitments to issue membership certificates and to permit the connection of proper ties to the system

in the future in cases involving proper construction or may issue such certificates prior to the commencement of the proposed construction.

- b. To select and appoint all officers, agents or employees of the corporation, remove such agents or employees of the corporation, prescribe such duties and designate such powers as may not be inconsistent with these bylaws, fix their compensation and pay for faithful services.
- c. To borrow from any source, money, goods or services and to make and issue notes and other negotiable or nonnegotiable instruments evidencing indebtedness of the corporation; to make and issue mortgages, deeds of trust, pledges of revenue, trust agreements, security agreements and financing statements, and other instruments evidencing a security interest in the assets of the corporation; and, to do every act and thing necessary to effectuate the same.
- d. To prescribe, adopt and amend, from time to time such equitable uniform rules and regulation as, in its discretion, may be deemed essential or convenient for the conduct of the business and affairs of the corporation and the guidance and control of its officers and employees, and to prescribe adequate penalties for the breach thereof.
- e. To order, at least once each year, an audit of the books and accounts of the corporation by a competent public auditor or accountant. The report prepared by such auditor or accountant shall be submitted to the members of the corporation at their annual meeting, together with a proposed budget for the ensuing year. Copies of such audits and budgets shall be submitted to such parties as may be required by other agreements.
- f. To fix and alter the charges to be paid by each member for services rendered by the corporation to the member, including connection fees where such are deemed to be necessary by the trustees, and to fix and alter the method of billing, time of payment, manner of connection, and penalties for late or nonpayment of the same. The board may establish one or more classes of users. All charges shall be uniform and nondiscriminating within each class of users.
- g. To require all officers, agents and employees charged with responsibility for the custody of any of the funds of the corporation to give adequate bonds, the cost thereof to be paid by the corporation, and it shall be mandatory upon the trustees to so require.
- h. To select one or more banks to act as depositories of the funds of the corporation and to determine the manner of receiving, depositing, and disbursing the funds of the corporation and the form of checks and the person or persons by whom the same shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will.

- i. To levy assessments against the member of the corporation in such manner and upon such proportionate basis as the trustees deem equitable, and to enforce collection of such assessments by the suspension of water service, attachment and foreclosure of liens, or other legal methods. The board of trustees shall have the option to suspend the service of any member who has not paid such assessment within 30 days from the date the assessment was due, provided the corporation must give the member at least 15 days written notice at the address of the member on the books of the corporation of its intention to suspend such service if the assessment is not paid. Upon payment of such assessments, all penalties and costs applicable thereto, such as, but not limited to, attorney's fees, legal costs, collection costs, and a reconnection charge, if one is in effect, service will be promptly restored to such a member.

ARTICLE X Duties of Officers

Section 1. Duties of President. The President shall preside over all meetings of the corporation and the board of trustees, call special meetings of the board of trustees, perform all acts and duties usually performed by an executive and presiding officer, and sign all membership certificates and such other papers of the corporation as he/she may be authorized or directed to sign by the board of trustees, provided the board of trustees may authorize any person to sign any or all checks, contracts and other instruments in writing on behalf of the corporation. He/She shall perform such other duties as may be prescribed by the board of trustees.

Section 2. Duties of the vice-president. In the absence or disability of the president, the vice-president shall perform the duties of the president; provided, however, that in case of death, resignation or disability of the president, the board of trustees may declare the office vacant and elect his/her successor.

Section 3. Duties of the secretary-treasurer. The secretary-treasurer shall keep a complete record of all meetings of the corporation and the board of trustees and shall have general charge and supervision of the books and records of the corporation. He/She shall attest the president's signature on all membership certificates and other papers pertaining to the corporation unless otherwise directed by the board of trustees. He/She shall serve, mail, or deliver all notices require by law and by these bylaws and shall make a full report of all matters and business pertaining to his/her office to the members at the annual meeting or at such other time or times as the board of trustees may require. He/She shall keep the corporate seal and membership certificate records of the corporation, complete and attest all certificates issued and affix said corporate seal to all papers requiring seal. He/She shall keep a proper membership certificate record, showing the name of each member of the corporation and date of issuance, surrender, transfer, termination, cancellation or forfeiture. He/She shall make all reports required by law and shall perform such other duties as may be required of him/her by the corporation or the board of trustees. Upon the election of this successor, the secretary-treasurer shall turn over to him/her all books and other property belonging to the corporation that he/she may have in

his/her possession. He/She shall also perform such duties with respect to the finances of the corporation as may be prescribed by the board of trustees.

ARTICLE XI
Benefits and Duties of Members

Section 1. The corporation has or may install, maintain and operate a main distribution pipeline or lines from the source of the water supply, and service lines from the main distribution pipeline or lines, to the property line of each member of the corporation, at which points, designated as delivery points, meters may be purchased, installed and maintained by the corporation. All meters are owned by the corporation. The cost of any extension of the main distribution pipeline and/or the service line or lines from the existing main distribution pipeline or lines of the corporation to the property line of each member, shall be paid by the member requesting such service. The corporation also may purchase and install a cutoff valve in each service line from its main distribution line or lines, such cutoff valve to be owned and maintained by the corporation and to be installed on some portion of the service line owned by the corporation. The corporation shall have the sole and exclusive right to use of such cutoff valve. However, the provisions of this section shall not be construed to require the acquisition or installation of meters or cutoff valves where the directors determine under the circumstances of the system and the nature of the membership that the use of either or both of such devices is impractical, unnecessary to protect the system and the rights of the membership, and/or economically not feasible.

Section 2. Each member will be required at his/her own expense to have dug a ditch for the connection of the service line or lines from the property line for the member to his/her dwelling or other portion of his/her premises, and to purchase and have installed the portion of the service line or lines from his/her property line to the place of use on his/her premises. The member will maintain such portion of such service line or lines which shall be owned by the member, at his/her own expense. The corporation may, if the board of trustees so determine, purchase the pipe for and install such portion of such service line or lines, the cost of which will, however, be paid by the individual members. In addition, each member shall pay such connection charge, if any, as may have been imposed by the board of trustees before such member will be entitled to received water from the system.

Section 3. Each member may be permitted to have additional service lines from the corporation's water system at the discretion of the board of trustees upon proper application therefore and the tender of payment as determined by the board of trustees. The approval by the board of trustees of additional service lines to an existing member may be made conditional upon such provisions as the board of trustees determines necessary to protect the interests of other members and to allow for the orderly expansion and extension of the system to serve other property that may need service along the distribution lines of the system. Each service line shall connect with the corporation's water system at the nearest available place to the place of desired use by the member if the corporation's water system has sufficient capacity to permit the delivery of water through a service line at that point without interfering with the delivery of

water through a prior service line, then such service line shall be installed at such place designated by the corporation.

Section 4. Each member may be permitted to purchase from the corporation, pursuant to such agreement as may from time to time be provided and required by the corporation, such water as is needed by him for domestic, commercial, agricultural, industrial or other purposes as a member may desire, subject, however, to the provisions of these bylaws and to such rules and regulations as may be prescribed by the board of trustees. Each member shall be entitled to have delivered to him through his/her service lines only such water as may be necessary to supply the needs of each member, including his/her family, business, agricultural or industrial requirements. The water delivered through each service line may be metered separately and the charges for such water may be determined separately, irrespective of the number of service lines owned by a member.

Section 5. In the event the total water supply shall be insufficient to meet all of the needs of the members or in the event there is a shortage of water, the corporation may prorate the water available among the various members on such basis as is deemed equitable by the board of trustees, and may also prescribe a schedule of hours covering use of water for commercial, agricultural or industrial purposes by particular members and require adherence thereto or prohibit the use of water for commercial, agricultural or industrial purposes; provided, that if at any time the total water supply shall be insufficient to meet all of the needs of all of the members for domestic, livestock, commercial, agricultural or industrial purposes and must satisfy all of the needs of all of the members for domestic and livestock purposes before supplying any water for commercial or industrial purposes; and, provided further, that where a member has more than one service line, the corporation may cut off the flow of water to the nondomestic service lines until such time as the supply of water from the system is sufficient to meet the needs of all of the members for domestic, livestock, and garden purposes. During such periods of shutoff of additional service lines there shall be no minimum fee charged to the members having such additional service lines and the cost, if any, of resuming the flow of water to such additional service lines shall be borne by the corporation.

Section 6. The board of trustees shall, prior to the beginning of each calendar year, determine that the flat minimum monthly rate to be charged each member during the following calendar year for a specified quantity of water, such flat minimum monthly rate to be payable irrespective of whether any water is used by a member during any month, the amount of additional charges, if any, for additional water which may be supplied the members and the amount of penalty for late payments, interest, and collection costs, and shall fix the date for the payment of such charges. A member to be entitled to the delivery of water shall pay such charges at the office designated by the corporation at or prior to the dates fixed by the board of trustees. Failure to pay water charges duly imposed shall result in the automatic imposition of the following penalties.

- a. Nonpayment within ten days from the due date will be subject to a penalty of ten (10) per cent of the delinquent account, which per cent may be changed at the discretion of the board of trustees.

- b. Nonpayment within thirty days from the due date will result in the water being shut off from the member's property without any notice thereof to such delinquent member. Upon the payment by the delinquent member of past due water charge, penalties, attorney's fees, legal costs, costs, collection costs thereon, and any reconnection charge, such member shall be entitled to resumption of the water supply. During the time of such suspension of water to a member, such member shall have no right to vote in the affairs of the corporation.

Section 7. The board of trustees shall be authorized to require each member to enter into water users agreements which shall embody the principles set forth in the foregoing provisions of these bylaws.

ARTICLE XII Distribution of Surplus Funds

It is not anticipated that there will be any surplus funds or net income to the corporation at the end of the fiscal year after provisions are made for the payment of the expenses of operation and maintenance and the funding of the various reserves for depreciation, debt retirement, and other purposes, including those required by the terms of any borrowing transaction. In the event that there should exist such surplus funds or net income, they may be placed in an existing or new reserve account to be used for the improvement and/or extension of the corporate facilities as the board of trustees may determine to be in the best interest of the corporation and to the extent not otherwise provided for by any contractual arrangement. The occurrence in subsequent fiscal years of surplus funds or net income above the requirements of the corporation as above mentioned, including, if any, a reserve for improvements and extension of the facilities shall be taken into consideration by the board of trustees in determining the water rates to be charged the members.

ARTICLE XIII Amendments

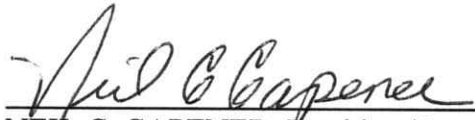
Except as prohibited by law with regard to modification of quorum requirements for shareholders, quorum requirements for directors, and elections of directors as specified by UCA §16-10a-1020 et seq, these bylaws may be repealed or amended by a vote of a majority of the board of trustees present at any regular meeting of board, or at any special meeting of the board called for that purpose.

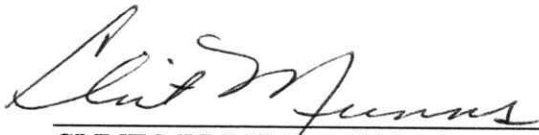
We certify that the foregoing amended bylaws were duly adopted by the members on the 10 day of June, 2020, that the same are in full force and effect and have not been amended further.

Given under our hands and the seal of the corporation, this 10 day of June, 2020.

BY THE CORPORATION:


REO RAMSDELL, Secretary-Treasurer


NEIL C. CAPENER, President/Board Member


CLINT MUNNS, Board Member


KEVIN JOHN, Board Member


DAVID FORSBERG, Board Member